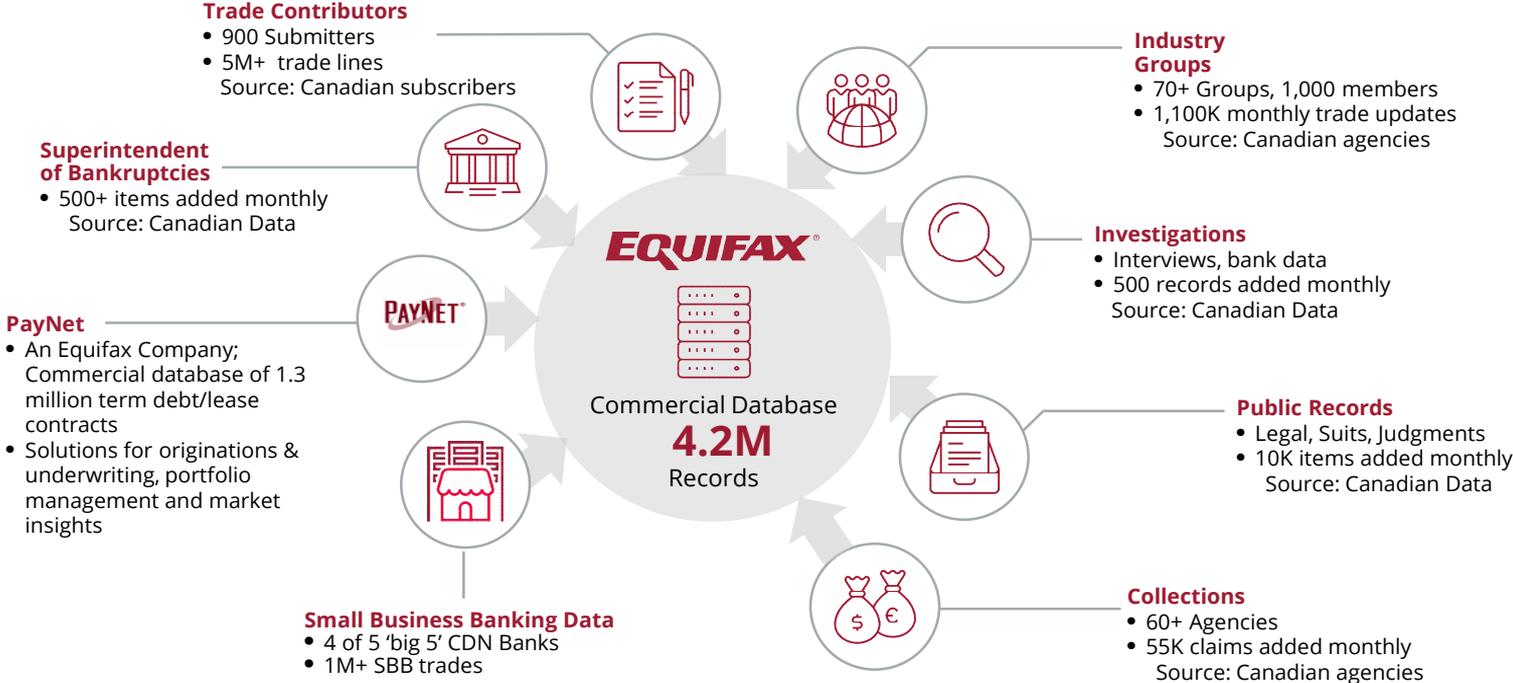


Equifax has created an industry leading **Commercial** database with **4.2 million records**

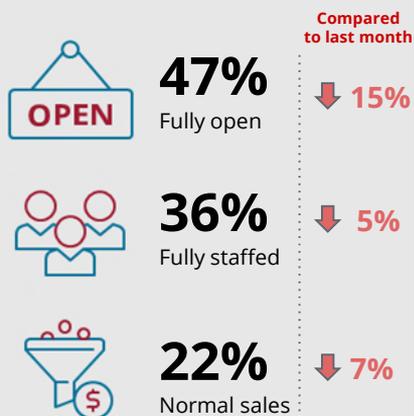


Equifax Canada database as of November 2020

Businesses that are open, aren't thriving



Canadian Small Businesses



Top reasons open businesses have below-normal sales



58%

Fewer customers



48%

Customers spending less



27%

Operational challenges with online sales, supply chain



20%

Government restrictions



18%

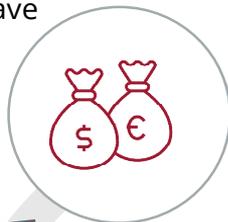
Staff Unavailable

Source: [Smallbusinesseveryday.ca/dashboard](https://smallbusinesseveryday.ca/dashboard)

Due to the Pandemic, the negative occurrence credit cycle has been dramatically impacted

Small Business Negative Occurrence Cycle

Collection agencies have not been conducting outbound calls



Courts have been closed due to lockdowns, delaying trials



Significant strains to the negative occurrence cycle has meant **businesses are simply closing their doors, rather than filing for bankruptcy**



Deferrals and re-papering credit applications has **delayed industry and financial trade delinquency reporting**



The hardest hit: The restaurant industry

Since COVID-19:

- The food service industry has lost 800,000 jobs
- Downtown restaurants have reduced patronage due to majority of Canadians working from home
- Social distancing measures reduce available tables
- Lack of travel/tourism/sports reduced customer base
- Reserved consumer spending has majority of Canadians eating at home

Consumer grocery spend ratio Pre-Pandemic

55% groceries / 45% service dining

Consumer grocery spend ratio during Pandemic

70% groceries / 30% service dining



Equifax Helping Navigate with Critical Insights

Businesses



As of the end of November, there are **66,099** businesses within the City of Brampton

Bankruptcies



Only **8** businesses have gone bankrupt since the start of the pandemic

Misleading as collection companies reduced outbound calls, and courts have been closed

Inactive Businesses



18,298 businesses (**28%**) are currently inactive.

Due to lock-down, lack of consumers, financial insecurity, and respective industry

Negative Occurrences



In the past 3 months, the number of negative events **has more than doubled**

From **311** to **691**
(collection and legal events)

Financial Data Used to Determine Business Outreach/Engagement



Small Business Impact by the Numbers

1 in 5

Businesses are currently experiencing **severe financial hardship**

1 in 20

Businesses are indicating they will **fail/close** in the next 6+ months

Areas of Optimism

New Businesses



800 new businesses have opened in the past 3 months, and are financially active in Brampton

A cause for support and encouragement

Vaccine Rapid Testing



Group of Brampton companies are assisting with rapid testing; in collaboration with Creative Destruction Lab.